



**TOWN OF FAIRFAX**  
142 Bolinas Road, Fairfax, California 94930  
DEPARTMENT OF PLANNING AND BUILDING SERVICES

**Fair Rate of Return Petition Packet**

**IMPORTANT – PLEASE READ**

This packet includes (1) this cover letter; (2) an instruction sheet explaining what you must do to successfully submit your Fair Return Petition to the Town; (3) and a Fair Return Petition.

The use of the included Fair Return Petition form is required to initiate the petition process. Along with the form, submit proof of service demonstrating that a copy of the petition has been provide to all affected tenants per Noticing Requirements included in Fairfax Ordinance 871.

The purpose of the Fair Return Petition process is to potentially allow for rent increases above that permitted by the Rent Stabilization Ordinance. If rental receipts are limited by the ordinance and a property owner is unable to obtain a fair return on a rental property investment, the petition process could result in rental adjustments so that a fair rate of return may be obtained.

Under the United States and California Constitutions, property owners, who rent their properties for profit are entitled to "a fair and reasonable return on their investment" in the rental property. This does not mean the government must guarantee that property owners earn a profit. But it does mean the government may not by regulation prevent a property owner from obtaining a "fair and reasonable return" on their rental property investment. In the context of controls on residential rentals, the Courts have determined that a government regulation does not prevent a fair and reasonable return so long as the regulation itself does not prevent the owner-investor from collecting an amount of rent sufficient to cover the owner's costs of operation, the servicing of reasonable financing, and some profit.

## PROPERTY OWNER FAIR RENT PETITION INSTRUCTIONS FOR COMPLETION

Under Fairfax Ordinance 871 you must use this form to apply to increase the rent paid by your tenant(s) in order to determine the fair and reasonable return you are entitled to.

Please note that if any of the following required steps are not complete, or if any required information is not provided in this Petition, the Petition will be rejected or denied and you will have to submit a new Petition.

1. This Petition must be filled out completely, with all supporting documents attached, and submitted to the Town by mail or in person to:

Town of Fairfax  
142 Bolinas Road  
Fairfax, CA 94930  
Attn: Housing Planner

2. By no later than the day on which you submit the Petition to the Town, you must serve a complete copy of the Petition on your tenant(s) via personal service or certified mail, return receipt requested.
3. Together with your submission of this Petition to the Town, you must submit proof that you have complied with Step 2 in the form of proof of service signed under penalty of perjury.

<b>Petitioner Information</b>			
Name:			
Phone:		Alt. Phone	
Mailing Address:			
Email:			
<b>Authorized Representative Information</b> (if applicable)			
Name:			
Phone:		Alt. Phone	
Mailing Address:			
Email:			
<b>Property Information</b>			
Address:		# of units:	
City:	State	ZIP:	
Have all notices been provided in compliance with Ordinance 871?			
<input type="checkbox"/> Yes. <input type="checkbox"/> No			
Do the rental unit(s) subject to this petition meet all requirements of Chapter 5.55 (Rent Stabilization Program) of the Fairfax Municipal Code?			
<input type="checkbox"/> Yes. <input type="checkbox"/> No			
Within the previous 12 months, has a Hearing Officer issued a decision regarding the maximum allowable rent for the rental unit(s) subject to this petition?			
<input type="checkbox"/> Yes. <input type="checkbox"/> No			

**Reason for Claim:**

The annual limitation imposed by the Town of Fairfax Rent Stabilization Ordinance has prevented the petitioning owner from receiving a fair and reasonable return on the above-identified property, in the manner explained below.

**Explanation for Claim:**

Identify each occupied residential unit that may be affected by this Petition and provide contact information for that unit's tenant. You may copy this page to add more units than provided for on this sheet or you may attach a spreadsheet containing this information.

<b>Tenant Information</b>			
Name:		Phone:	
Address:		Unit Number:	
City:	State:	ZIP:	
Current Rent:		Date of Last Increase:	
<b>Tenant Information</b>			
Name:		Phone:	
Address:		Unit Number:	
City:	State:	ZIP:	
Current Rent:		Date of Last Increase:	
<b>Tenant Information</b>			
Name:		Phone:	
Address:		Unit Number:	
City:	State:	ZIP:	
Current Rent:		Date of Last Increase:	
<b>Tenant Information</b>			
Name:		Phone:	
Address:		Unit Number:	
City:	State:	ZIP:	
Current Rent:		Date of Last Increase:	
<b>Tenant Information</b>			
Name:		Phone:	
Address:		Unit Number:	
City:	State:	ZIP:	
Current Rent:		Date of Last Increase:	
<b>Tenant Information</b>			
Name:		Phone:	
Address:		Unit Number:	
City:	State:	ZIP:	
Current Rent:		Date of Last Increase:	

**You must submit ALL of the documents called for below:**

- Copies of all written rental agreements in effect (including amendments, if any)
- A spreadsheet demonstrating actual income
  - Rents received (rent roll)
  - Income from ancillary services (i.e., laundry, vending machines, etc.)
  - Any other income received from the activity or service at the property
- A spreadsheet demonstrating actual expenses:
  - Regular maintenance
  - Repairs
  - Property Taxes
  - Property Insurance
  - Utility Payments
  - Other Necessary Property Expenses
- Documentation to substantiate all claimed expenses (which demonstrates actual payment and a relationship to the property), such as:
  - Bank Statements
  - Property Tax Statements
  - Property Insurance Statements
  - Utility Bills/Payment Summary
  - Paid Invoices
  - Cancelled Checks
- Independent Financial Report
  - An independent report, including the above and any additional verified financial data, demonstrating that in the absence of a rent increase in a specified amount, the Rent Stabilization Program will have prevented the Petitioning owner from realizing a fair and reasonable return on the owner’s property. The report must explain how the Rent Stabilization Program (as distinct from, for example, market forces) has impeded the Petitioner’s ability to achieve a fair return.
- Proposed Rent Increase
  - For each occupied rental unit identified, state the amount to which, if this Petition is granted, you would proposed to increase the rent in order to obtain a fair and reasonable return.

Unit	Proposed New Rent

*Please attached an additional page with another table if there are more units.*

**Acknowledgement of Responsibility of Petition Costs**

I understand that:

Under Ordinance 888, this Petition will not be reviewed and the proceeding hearing will not be scheduled until \$1,000 is paid to the Town of Fairfax to cover the cost of the Hearing Examiner.

**Petitioner Declaration**

I declare, under penalty of perjury under the laws of the State of California, that everything included in this Petition, including all attachments, is true and correct to the best of my knowledge. I understand that if I do not meet the requirements for a Fair Return Petition set forth in Ordinance 871 and Ordinance 888, the petition will be rejected or denied.

Print Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Sign Name: \_\_\_\_\_

Date: \_\_\_\_\_

## TENANT RESPONSE

The owner of the property where you live has submitted a Fair Return Petition to the Town of Fairfax. In that petition (a copy of which the owner should already have given you), the owner seeks permission to increase your rent by more than the limit once every 12 months imposed by Ordinance 871. This limit is 2.52 percent until August 31, 2024 and will become 2.85 percent between September 1, 2024 and August 31, 2025.

The reasons why the owner claim entitlement to increase your rent by more than those limits are stated in the petition. Because you would be affected by any such increase, you are entitled to submit a response, which a Hearing Examiner hired by the Town will consider when deciding whether the owner's petition should be granted.

This form may be used by any tenant, or the authorized representative of any tenant, who has been served with a Fair Return Petition and wishes to respond to it. Use of this form is optional.

<b>Responding Tenant Information</b>		
Name:		
Phone:		Alt. Phone
Mailing Address (if different from property address):		
Email:		
<b>Authorized Representative Information</b> (if applicable)		
Name:		
Phone:		Alt. Phone
Mailing Address:		
Email:		
<b>Property Address</b>		
Street Address:		Unit:
City and State:		ZIP:
The owner has served me with a copy of the Petition	<input type="checkbox"/> Yes.	<input type="checkbox"/> No

**Tenant Response** (check one)

D I do not oppose the Petition.

D I oppose the Petition, for the following reason(s) (state with as much specificity as possible why you oppose the Petition. Attach additional pages if necessary):

**Supporting Documents**

If your opposition relies on document(s), attach the document(s) to your opposition and identify them here (attach additional pages if necessary):

**Signature**

I declare, under penalty of perjury under the laws of the State of California, that everything included in this Petition, including all attachments, is true and correct to the best of my knowledge.

Print Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Sign Name: \_\_\_\_\_

Date: \_\_\_\_\_

Authorized representative (check box only if applicable)